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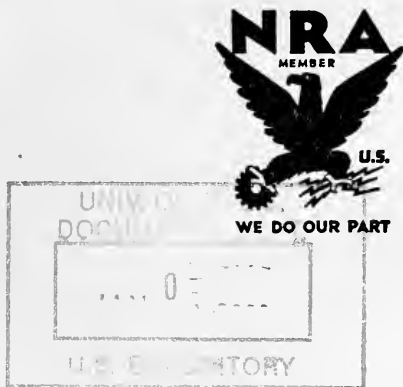
NATIONAL RECOVERY ADMINISTRATION

PROPOSED CODE OF FAIR COMPETITION

FOR THE

INFANTS' AND CHILDREN'S KNITTED
OUTERWEAR INDUSTRY

AS SUBMITTED ON AUGUST 30, 1933



The Code for the Infants' and Children's Knitted Outerwear Industry in its present form merely reflects the proposal of the above-mentioned industry, and *none of the provisions contained therein are to be regarded as having received the approval of the National Recovery Administration as applying to this industry*

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1933



SUBMITTED BY
KNITWEAR ASSOCIATION OF AMERICA, INC.
(11)

CODE OF FAIR COMPETITION FOR THE INFANTS' AND CHILDREN'S KNITTED OUTERWEAR INDUSTRY

KNITWEAR ASS'N OF AMERICA, INC.,
1181 Broadway, New York City.

To effectuate the policy of Title I of the National Industrial Recovery Act, during the period of emergency, by reducing unemployment, improving the standards of labor, eliminating practices harmful to the interests of the public, employees, and employers, and otherwise to improve the conditions of the infants and childrens knitted outerwear industry, to increase the consumption of the products of this industry by increasing purchasing power, and in other respects, the following provisions are hereby established as a code of fair competition for the infants and childrens knitted outerwear industry:

I—EXPIRATION

The terms of this Code shall be four months from the effective date of the said Code, and during which time, if any, subsequent changes or a new code is to be submitted to the President for his approval, such new code, when approved, is to be binding during the period of this Act. Should no new code be submitted within the four months period, then, this code is to remain effective and binding for the duration of the emergency and/or for the period of the Act.

II—LICENSING

A. In view of the peculiarity of the knitted outerwear industry in general making it possible for any manufacturer using any type of machine, to switch from the manufacture of one type of merchandise to another, thereby making it impossible for any one, or group of manufacturers, to prolong a season for more than a month or two, it is hereby requested, in the interest of prolonging as much as possible the seasonable business, and keeping the plants in operation for as long a period as it is possible, that the President exercise his rights and authority under the act by immediately, upon the approval of this code, license each and every manufacturing plant or manufacturer of knitted outerwear, regardless of whether it be ladies, mens and boys, or infants and childrens knitted outerwear that be manufactured.

B. Should these licenses be issued, each manufacturer is to notify the government the type of merchandise which the said plant intends to specialize in, and the issuance of the said license, will thereby preclude (unless by special permission of the governing board of the association, and of the President of the United States) said manufacturer from manufacturing any other types of merchandise than that for which he or it are licensed.

C. It is satisfactory to the membership of this Association, and it is hereby suggested that the government, if it finds it necessary, defray the cost of this licensing, by making such reasonable charge for each license, as the government may see fit.

D. This request is respectfully urged upon the Administration.

III DEFINITIONS

A. The term "infants and children's knitted outerwear industry" as used herein, is defined to mean the manufacture or contracting of knitted outerwear apparel and/or the manufacture or contracting of knitted fabrics for outerwear purposes, used for children's garments.

B. The term "employees", as used herein, shall include all persons employed in the production of the said knitted outerwear, including the wives and relatives of employers, and the ownership in whole or in part of the mill shall not exempt any person or persons from any provision of this Code applicable to labor.

C. The term "effective date", as used herein, shall be three days immediately following the day this code shall have been approved by the President of the United States.

D. The term "act" as used herein, refers to the National Industrial Recovery Act.

E. The term "persons" shall include natural persons, partnerships, associations, and corporations.

LABOR

IV—CHILD LABOR

A. On or after the effective date of this Code, no employer in this industry shall employ minors under the age of sixteen years.

V—COLLECTIVE BARGAINING

A. In accordance with Sub-Section 5, Section 7, of the Act, it is hereby stipulated and agreed, that employees shall have the right to organize and bargain collectively, through representatives of their own choosing, and shall be free from interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities or the purpose of collective bargaining or other mutual aid and protection.

B. That no employee and no one seeking employment, shall be required, as a condition of employment, to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

C. That employers shall comply with the maximum hours of labor, minimum rate of pay, maximum machine load of employees, and other conditions of employment approved or prescribed by the President.

VI—HOURS

A. After the effective date of this Code, no employer is to employ or permit the working of any employee as defined in the terms of this Code, to operate more than 40 hours per week, and no employees shall have the right to hold more than one position, or work more than 40 hours per week for any one in this industry.

VII—MACHINE HOURS

A. Machine operations are hereby restricted to no more than 2 shifts of 40 hours each, and this provision of the code is to become ineffective November 1st, at which time plant operations, for the duration of this Code are to be on a basis of one shift of 40 hours, and until the new code and provisions affecting this part of the code are submitted to and approved by the President.

B. *Female Employees.*—Under no conditions are female employees to be employed after 6 P.M. of any day.

C. *Small Plant Restrictions.*—Plants of 3 or more power machines must employ a regular knitter, besides the owner or manager of the plant, and that the minimum salary of this knitter should be \$25 per week.

D. *Machine Limitation.*—In no event is a knitter or mechanic or helper permitted to operate more than 6 power machines.

VIII—MINIMUM WAGE

On and after the effective date, the minimum wage that shall be paid by employers in this industry to any of their employees, shall be as follows:

| | |
|--|----------|
| Winder..... | \$15. 00 |
| Knitter (This knitter to do adjustments and make chains.)..... | 35. 00 |
| Experienced Helper..... | 25. 00 |
| Ordinary helper (beginner)..... | 15. 00 |
| Hand knitter..... | 25. 00 |
| Learner..... | 15. 00 |
| Mechanic..... | 45. 00 |
| Separator..... | 13. 00 |
| Cutter (experienced)..... | 17. 00 |
| Cutter (helper)..... | 13. 00 |
| Finisher..... | 13. 00 |
| Examiner..... | 13. 00 |
| Merrow Operator..... | 17. 00 |
| Crochet..... | 13. 00 |
| Cover Machine Operator..... | 13. 00 |
| Button-Hole Machine Operator..... | 13. 00 |
| Button Sewer..... | 13. 00 |
| Presser..... | 15. 00 |
| Shipping Clerk..... | 18. 00 |

XIV—MACHINERY

In the event that a manufacturer or contractor purchases new machinery, it is hereby understood that such machinery can only be purchased in the event of replacement of obsolete machinery, and that when such machinery is purchased, at least one machine of a similar type will be discarded.

TRADE PRACTICE AND FAIR COMPETITION PROVISION

X—UNIFORM ORDER BLANK

A. It is hereby understood and agreed, that a uniform order blank adopted by, and satisfactory to, the distributor and the manufacturer and contractor will be used in this industry.

B. Contracts.—All orders accepted by the manufacturer and issued by the distributor are to be noncancellable by either party, and must be completed according to time and conditions specified. This, however, is subject to "Acts of God", etc.

C. Mfrs. Selling Direct.—No contractor or manufacturer will accept or manufacture any merchandise for such manufacturers who operate their own plants, selling their products to the retailer or consumer.

D. Raw Material.—Yarn and other raw materials for merchandise to be manufactured on a contracting basis, in which the consideration is labor, is to be given to such contractors or manufacturers on memorandum and such material is to be worked up for the customer or distributor and billed back to them on a strictly labor basis.

XI—HOME WORKERS

A. Realizing the necessity and the extreme importance of the use of homeworkers in this industry for minor manufacturing, and assuring the government that homeworking, as defined herein does not involve extreme physical labor or effort, therefore this cannot be construed as "sweatshop" conditions. This association, nevertheless, takes it upon itself to effectuate such rules and regulations, and to institute investigations from time to time, to prevent any "sweatshop" conditions or any real manufacturing to be made by homeworkers.

B. Homeworkers are also used in the manufacture of hand crochet and hand knit infants garments. The manufacture of this type of merchandise constitutes a separate and distinct industry, and in view of the tremendous amount of women employed in this industry, and the impossible task of successfully supervising this branch of the industry, it is deemed best to permit the laws and regulations of the individual states, in which these women reside, to predominate and rule, and investigate the sanitary conditions, or otherwise, of the various homeworkers. This association, however, will cooperate with the labor departments of the various states in any manner that these departments may see fit.

XII—SELLING WITHOUT PROFIT

No person or manufacturer, or distributor in the infants and childrens knitted outerwear industry shall (1) sell or offer to sell at less than cost, plus a reasonable profit any of their merchandise, nor (2) manufacture for sale, at a price destructive of the capital investment and/or to the earning power of labor, provided, however, that sales made in good faith to dispose of manufactured products accumulated through errors in manufacture, and then only upon notice to the governing board of this association. The interpretation of a selling price above cost shall be the cost of the average efficient producer and shall be a price that will include all fair and reasonable items of cost plus a fair and reasonable profit, taking into consideration the necessity of fair and reasonable compensation to labor and to producers of average efficiency.

XIII—STANDARD SIZES

It is proposed, within 30 days from the effective date of this Code to establish a committee on standard sizes; such committee to consist of representatives of the distributor, the manufacturer, and the consumer, and at such time a uniform standard size of the various types of garments shall be established and when approved by the Bureau of Weights and Measures at Washington, D.C., each and every manufacturer operating under this Code, is to abide by such standards.

XIV—MISBRANDING AND MISREPRESENTATION

A. No person in this industry shall falsely mark and/or brand knitted outerwear products for the purpose or with the effect of misleading or deceiving purchasers with respect to the origin, trade-marking, quality, yarn content, or construction of such products, which practice is hereby declared to be an unfair trade practice.

B. No person in this industry shall make any false statements and/or false representations, oral or written, in connection with the sale or offering or advertising for sale of any knitted outerwear products with the intent of or effect of misrepresenting the same as to origin, trademarking, quality, yarn content, construction or service, and thus to deceive or mislead customers. Such practice is declared to be fraudulent and an unfair trade practice.

XV—ARBITRATION

A. The infants' and children's knitted outerwear industry, in the spirit of cooperation and good will, approves of the value of arbitration in the disputes between the distributor and manufacturer, or other parties, and the parties concerned agree to make every effort to arrive at an amicable agreement, and should they be unable to do so, it is hereby agreed to submit to commercial arbitration under existing codes, as preferable to litigation.

ENFORCEMENT

XVI—REPORTS

A. For the purpose of supplying the President and the administrators of this Act with requisite data as to the observance and the effectiveness of this Code, and as to whether this industry is taking appropriate steps to enable it to intelligently adjust its hours of labor, wages, and productive capacity to the changing demands of consumers, industrial trends, and other conditions, in accordance with the declared policy of the Act, each employer shall furnish regular reports as hereinafter provided. The Knitwear Association of America, Inc., is hereby constituted the agency to provide for the collection and receipt of such reports, and for the forwarding of the substance of such reports to the President the Association is to provide for the receiving and holding such reports themselves in confidence. Such reports shall be in such form and shall be furnished at such intervals as shall be prescribed by the Association, and shall contain information relevant to the purposes of this Code, as shall be prescribed by the

Association from time to time, including information with respect to the following or related subjects:

1. Employment hours, wages, and wage rates.
2. Production, orders, billing, and stocks (in process and finished, of products manufactured).
3. Financial and cost data.
4. Active purchases, sales, and scrapping of machinery.
5. Consumption and stocks of raw material.

B. Governing Board.—The governing board of the infants' and children's knitted outerwear industry shall consist of representatives of the manufacturers, distributors and employees. This governing board will be set up to cooperate with the National Industrial Recovery Administration, as a planning and fair practice agency, for the infants' and children's knitted outerwear industry.

C. Board Powers.—This Board shall administer all provisions of the Code, secure adherence thereto, hear and adjust complaints, consider proposals for amendment thereof, and exceptions thereto, and otherwise carry out for this Industry the purposes of the National Industrial Recovery Act, as set forth in this Code and for that purpose, it shall be and is hereby empowered to employ and use, among others, the following means, sanctions, and methods:

1. Any remedies, sanctions, and methods provided by the Act, in accordance with the provisions of the Act.
2. The established agencies of government, Federal, State, and Municipal, under the laws presently in force, or which may hereafter be enacted.
3. The governing board shall have the power to call on the members of the Knitwear Association of America, Inc., and its affiliates, for such funds as may be necessary in the carrying on of its activities.

MEMBERSHIP

XVII—MEMBERSHIP

This Association shall impose no inequitable restrictions on admission to membership therein. This code is not designed to promote and shall not be construed to permit monopolies, nor is it designed to eliminate, nor press the small enterprises, and it shall not operate nor discriminate against them, but shall seek only to effectuate the policy of Title I of the National Industrial Recovery Act.

This code is submitted on behalf of 75 manufacturers and contractors, representing an investment in machinery and equipment of \$4,000,000 and a yearly production of 750,000 dozen.

This code, furthermore, has the support of the distributors, representing a yearly sales of \$15,000,000.

(Signed) NATHAN K. FELDHUHN,
President.